

**Lawrence Berkeley National Laboratory
Contract Assurance Council
Monthly Meeting Minutes**

**Wednesday, February 14, 2007
University of California—Office of the President
Franklin Building, Room 9204**

CAC members or representatives present:

Bob Foley	Anne Broome	Gary Falle for Bruce
Bob Van Ness	Judy Boyette	Darling, by phone
Buck Koonce	Al Diaz	John Layton by phone
Larry Coleman	Bill Eklund for Jeff Blair	

CAC members absent:

Patrick Reed	John Birely
John Oakley	

UCOP Staff:

Jim Hirahara	Ron Nelson by phone
Sharon Eklund	Sandy Vinson

Guest participants:

Jeffrey Fernandez, LBNL	John Chernowski, LBNL	Howard Hatayama,
Jim Krupnick, LBNL		LBNL

Welcome/Action Items

Bob Foley welcomed members and guests to the Contract Assurance Council (CAC) monthly meeting. Jim Hirahara reviewed the open action items:

- Item 22—Jeffrey Fernandez and Anne Broome need to discuss this topic before the frequency of briefings on cost savings is determined.
- Item 28—John Chernowski will report on his review of changes to the signature authority-related systems at a future meeting.
- Item 29—Jeffrey Fernandez will report on this item at a future meeting.

The Council unanimously approved the minutes of the December and January meetings.

DOE FY06 Performance Evaluation of LBNL

Jim Krupnick explained that the actual Berkeley Site Office (BSO) evaluation scores do not appear in his presentation because they will not be publicly released until Thursday, February 15. He reported that BSO advised LBNL that UC will earn 97% of the available fee, based on a 97% score in Science and Technology and a 100% score in Management and

Operations. The Laboratory has now performed satisfactorily for two years under Contract 31. If the performance is satisfactory in FY07 as well, UC will earn a three-year contract extension, following which contract renewal will be based on annual performance. During the Office of Science (SC) discussion of the scoring of all the SC laboratories, the SC associate directors agreed that LBNL is the top-performing lab in terms of science and technology and management and operations. Krupnick reviewed the BSO slides with the Council, noting in particular some opportunities for improvement:

- Basic Energy Sciences—The Lab needs to improve communications and planning across the board.
- Biological and Environmental Research—The Lab is enthusiastic about the DOE direction to plan and build their capabilities in the climate change research program.
- Lab Leadership—DOE HQ would like to see more UC visibility at HQ.
- Facilities—LBNL needs to get a permanent Facilities Director.
- EH&S—The McCallum Turner review team is returning to LBNL to review the Corrective Action Plan development.
- Assurance—LBNL has continued development of the Corrective Action Management Program and has assigned a new hire to this effort.

Energy Bio-science Institute (EBI)

Krupnick displayed the slides from the proposal presentation that was made in London on December 4. The winning proposal was from the team of UC Berkeley (UCB), University of Illinois Urbana Champaign, and LBNL with British Petroleum (BP).

- Contract total value is \$50M per year for 10 years.
- Work is expected to begin in existing facilities at UCB on July 1.
- 24 of the 25 designated PIs have joint appointments.
- 57% of Helios is EBI.
- 1/3 of EBI will be BP-proprietary work.

DOE is supportive of the project because it is consistent with their future energy funding levels. The major risk to LBNL in entering into this agreement is the debt service.

Executive Session

The meeting concluded with a closed session for Council members and UC staff.

Action Items:

#	<i>Responsible Party</i>	<i>Action</i>	<i>Date Added</i>	<i>Status</i>
28	Chernowski LBNL	Review all changes in the signature authority-related systems	01/10/06	OPEN

29	Fernandez LBNL	Determine whether using Contract 31 funding to perform work in UCB lab space (rather than in more costly LBNL space) constitutes a cost accounting standard violation under the contract and what LBNL can do to discourage this behavior	01/10/06	OPEN
		<i>On-going Actions</i>		
5	Eklund UCOP	Schedule a ten-minute Executive Session at the close of each CAC quarterly meeting.	04/12/06	Quarterly Action
6	Eklund UCOP	Schedule quarterly CAC meetings to be held at LBNL.	04/12/06	Quarterly Action
7	Hirahara UCOP	Implement a call for agenda topics prior to each meeting.	04/12/06	Monthly Action
22	Fernandez LBNL Broome UCOP	<ul style="list-style-type: none"> • Report quarterly on supply chain initiative planned cost savings versus actual. • Report on discussion regarding LBNL and UCOP purchasing alignment and economies of scale 	06/14/06	Quarterly Action

		<i>Completed or Cancelled Actions</i>		
1	Chernowski LBNL	Modify Risk Registry report to include a column in which BSO concurrence with the current status of the item can be indicated.	04/12/06	Cancelled
2	Chernowski LBNL	Plan C31 Risk Registry updates for the quarterly meetings and as-needed at the monthly meetings.	04/12/06	Done—next report at 07/12 meeting
3	Fernandez LBNL	Brief the Council on how LBNL is tracking cost savings and the current status.	04/12/06	Done—held on 6/14
4	Chernowski LBNL	Schedule a dry run of the presentation to senior LBNL and BSO management of second quarter performance. (UC-internal only).	04/12/06	Done—held on 05/02
8	Merola LBNL	Provide the Council with the number of LBNL PIs working with controlled substances.	05/10/06	Done—presented on 6/14
9	Merola LBNL	Provide the Council with the quantity of controlled substances ordered by LBNL annually.	05/10/06	Done—presented on 6/14
10	Merola LBNL	Provide the Council with the number of discrete locations where controlled substances are handled at LBNL.	05/10/06	Done—presented on 6/14
11	Hatayama LBNL	Personally review LBNL controlled substance and drug precursor processes and personnel to assure appropriate controls are in place—report back to CAC.	05/10/06	Done—presented on 6/14
12	Hatayama LBNL	Personally review LBNL select agent processes and personnel to assure appropriate controls are in place—report back to CAC.	05/10/06	Done—presented on 11/08
13	Eklund UCOP	Add <i>Select Agents</i> as a topic to a future CAC agenda.	05/10/06	Done—presented on 11/08
14	Eklund UCOP	Add <i>Accounts payable</i> as a topic to a future CAC agenda.	05/10/06	Done—presented on 7/12
15	Krupnick LBNL	Provide CAC with further detail on the thorium inventory and reportability.	05/10/06	Done—presented on 7/12
16	Merola LBNL	Provide LBNL Advisory Board report to CAC when complete.	05/10/06	Done—presented on 8/9

17	Hirahara LBNL	Invite Aundra Richards to 07/12 Quarterly CAC Meeting.	05/10/06	Done—discussed on 6/14
18	Koonce LBNL	Identify the UCOP senior management “owner” of the LBNL bonding issue.	05/10/06	Done—presented on 6/14
19	Merola/ Burnside LBNL	<ul style="list-style-type: none"> Define operational requirements and associated agreements in regard to LBNL research on UCB campus. This includes ES&H and other operational requirements. Share results of the upcoming meeting of the Burnside Committee. 	06/14/06 (modified 10/11/06)	Done—presented on 12/13
20	Merola LBNL	Explain how LBNL manages Principal Investigators.	06/14/06	Done—presented on 9/13
21	McGraw/ Hatayama LBNL	Report on controlled substances process improvements.	06/14/06	Done—held on 01/10
23	Koonce/ Eklund UCOP	Provide Susan Thomas, UC-GC, a copy of the policy and procedures regarding who in Purchasing should have access to the vendor master.	07/12/06	Done—sent on 07/19
24	Krupnick LBNL Nelson UCOP	<ul style="list-style-type: none"> Provide further detail on LBNL Advisory Board report (independent operating ventures and need for review of oversight mechanisms references). Provide written response regarding operating ventures. Discuss UCOP plan for oversight 	08/09/06 (modified 10/13/16)	<p>J. Krupnick verified that the Board was referring to the LLC when using the term “independent operating ventures.”</p> <p>Done—held on 01/10</p>
25	McGraw LBNL	Provide Council members with the LBNL pie chart that indicates how many PIs are from various campuses and other universities.	09/13/06	Done—presented on 12/13
26	McGraw LBNL	Provide progress report on consolidation of authorities project and milestones for project completion.	09/13/06	Done—held on 01/10

27	McGraw LBNL	Supply the Council members with a copy of the address Director Chu sent to LBNL PIs on the subject of their responsibilities.	09/13/06	Done—sent with September meeting minutes
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